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C O N F I D E N T I A L SECTION 01 OF 03 KATHMANDU 000157

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Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d).

Summary

11. (C) In separate meetings January 18 with Ambassador Moriarty, Indian Ambassador Mukherjee, Norwegian Ambassador Toreng and UK Ambassador Hall lamented the agreement to give a Maoist the Deputy Prime Minister slot, discussed the need for a strong Election Commission mandate, and shared growing concern over the rise of Madhesi violence along Nepal's southern terai belt. The Ambassadors agreed that the Maoists' diverse and inclusive list of Members of Parliament (MPs) was "great advertising," but did not change the fundamentally exclusive nature of elite Maoist political leadership. The Ambassadors shared their countries' plans to provide advisory assistance and monitors to support a strong Election Commission and credible election process. of Madhesi grievances and activism in the terai, the Ambassadors agreed, reflected general frustration with the lack of inclusiveness inherent in interim governance arrangements.

Maoist MP List Politically Savvy

12. (C) In separate meetings January 18 with Ambassador Moriarty, Indian Ambassador Mukherjee, UK Ambassador Hall, and Norwegian Ambassador Toreng all agreed that the Maoists' diverse and inclusive list of Members of Parliament (MPs) for the interim assembly was a savvy political move. Ambassador Hall said that the Maoist list made the other political parties look like they were "stuck in the past." Ambassador Toreng called it "great advertising" for the Maoists. Despite an inclusive group of MPs, the Ambassadors noted continued elite Brahmin, Chettri and Newari domination of the Maoist political leadership, counter to the Maoist-professed inclusive political philosophy.

Power-Sharing in an Interim Government -----

13. (C) Indian Ambassador Mukherjee said that, based on his

recent consultations, he thought the Maoists would be given the Ministries of Land, Education, Health, and Communication as well as the Deputy Prime Minister slot. Ambassador Mukherjee said that he had heard that Baburam Bhattarrai, the Maoist second-in-command, would be chosen for Deputy Prime Minister. (Note: Post has heard from other sources that Krishna Bahadur Mahara, chief negotiator for the Maoists, would be Deputy Prime Minister. End Note.) Mukherjee said that this division of posts was a power-sharing arrangement between the parties, with: 1) the Nepali Congress (NC) Party with the Prime Minister slot; 2) the Maoists with Deputy Prime Minister; 3) Nepal Communist Party - United Marxist Leninist (CPN-UML) with the Speaker of the House; and 4) Nepali Congress - Democratic (NC-D) with Deputy Speaker of the House. Ambassador Toreng raised the lack of clarity regarding how long the interim government would remain in place, whether until or beyond, the election of the Constituent Assembly.

Maoist Deputy Prime Minister Would be Next in Line

14. (C) All the Ambassadors expressed concern over a Maoist in the Deputy Prime Minister slot. Ambassador Moriarty said this was particularly troubling, as the Interim Constitution clearly stated that the Deputy PM would become PM in the case of the PM's death or resignation. Norwegian Ambassador Toreng said that PM Koirala's good health now became crucial for the peace process, particularly the success of the elections. Indian Ambassador Mukherjee said he wished the GON would insist on a stipulation that, until the elections for the CA are complete, the PM of the country should be the

KATHMANDU 00000157 002 OF 003

leader of the largest party (clearly the NC). Ambassador Moriarty expressed skepticism that this stipulation would fly with the Maoists as a change to an already passed Interim Constitution.

15. (C) Ambassador Toreng said that the Maoist pick of Mahara as Deputy Prime Minister was wise, as Mahara had proven himself as a politician in the negotiation process between the Seven-Party Alliance (SPA) and the Maoists. The Ambassador responded that Mahara, even though he might be a skilled politician, would focus on protecting Maoist Supremo Prachanda's interests.

An Election Commission with Teeth

- 16. (C) Ambassador Moriarty and Ambassador Mukherjee agreed that the Election Commission must be given sufficient "teeth" to ensure party adherence to electoral law and peace agreement provisions. Ambassador Moriarty supported Ambassador Mukherjee's notion that it would be instructive for Nepal's Election Commission to learn from the strong mandate and sweeping powers given to the Indian Election Commission. Ambassador Mukherjee described a recent visit by a team of Indian election experts and said the Indians would continue to provide election advisory support based on India's experience. Norwegian Ambassador Toreng mentioned a Norwegian electoral system expert who was helping to educate the EC and the parties about the new, mixed representational and first-past-the-post electoral system, and would assist in drafting the electoral law.
- 17. (C) Norwegian Ambassador Toreng said that the Election Commission had made significant progress in the voter registration process, and did not seem "as desperate as previously." Ambassador Toreng and Ambassador Moriarty agreed that the sequencing of the citizenship bill and voter registration process was "goofy." The Ambassadors expressed hope that a mechanism would be created to grant voting rights to those who were given citizenship after the initial voter registration process had been completed. Ambassador Mukherjee said that it was unclear whether the Nepali

Government would be able to pull off elections in June, but the international community needed to continue to plan for this timeframe until political imperatives dictated otherwise.

Election Observers

18. (C) UK Ambassador Hall said that, despite strong support in European capitals for an EU role in election monitoring, he was disappointed by the speed with which the EU election monitoring mission was moving. He said an EU exploratory team was not expected until February 7, and only following this assessment would the bureaucratic process for mobilizing an election observation mission begin. Ambassador Toreng said that Norway would likely contribute monitors under the EU mission umbrella. Toreng also stressed the need to get monitors/observers out quickly, so they would be in place for the months prior to the election.

Madhesi Grievance on the Rise

 $frac{1}{4}$ 9. (C) The Ambassadors agreed that the Madhesi issue was of growing concern. Ambassador Moriarty said he was stunned, based on recent visits to terai districts, by the level of attention Madhesi rights were receiving (reftel). However, he underscored how little the Madhesi activists he spoke with in the terai knew about the rights given to the them in the recently passed Citizenship Bill. Mukherjee said that while the Maoist-splinter group, Janatantrik Terai Mukti Morcha (JTMM), may not currently be strong enough to pose a real security threat, they were emboldened by the recent protests in Nepalgunj, realizing they could "shut the place down" if they wanted. Mukherjee said that India had been generally

KATHMANDU 00000157 003 OF 003

supportive of the Madhesi cause, based on the lack of citizenship rights they had received in the past; that said, the Indian Embassy had been encouraging the Madhesi leadership to protest peacefully. The Madhesi issue, both Ambassadors agreed, reflected general challenges of inclusiveness in current interim governance arrangements. Ambassador Moriarty expressed his concern that the Interim Constitution did not sufficiently ensure the participation of diverse groups in power-sharing. Ambassador Mukherjee said the Constituent Assembly offered the best opportunity at a "clumsy compromise on inclusiveness.

110. (C) Ambassador Toreng also said that the Seven-Party Alliance must begin to develop a platform in regard to Madhesi rights. Toreng said the Norwegian aid agency was planning an expert seminar on the Madhesi issue. Toreng said he remained unclear regarding the strength/capacity of the JTMM.

Comment

111. (C) Post fervently hopes for PM Koirala's continued good health. Under the Interim Constitution, sweeping powers are given to the PM, a frightening predicament if a Maoist Deputy PM becomes next in line for the job. We will continue to bolster the Election Commission, coordinate election assistance with the UN and fellow donors, and encourage India to share its long experience with an Election Commission with "teeth." We will also continue to promote a large international monitoring presence across the countryside in the lead-up to elections. In consultations with the seven parties, we will encourage diverse and inclusive candidate lists and stress the important role the Constituent Assembly will have in charting a more representative and democratic path forward for Nepal. We will also urge the Seven Parties to re-consider the advisability of having a Maoist as heir apparent to PM Koirala. MORIARTY